

**Meeting Between Staff of the Federal Reserve Board and Representatives of The Clearing
House Payments Company (TCH)
May 4, 2022**

Participants: Michelle Olivier, David Crosby, and Cody Gaffney (Federal Reserve Board)

Stephanie Heller and Alaina Gimbert (TCH)

Federal Reserve Board staff met with The Clearing House Payments Company (TCH) to discuss the Federal Reserve Board's proposed modifications to the *Policy on Payment System Risk* (Docket No. OP-1749), and specifically the proposal to modify the calculation of daylight overdraft (DLOD) and penalty fees to accommodate a 24-hour business day in support of the launch of the FedNowSM Service. In its comment letter on the proposal, TCH expressed concerns regarding the proposed fee modifications.

During the call, Board staff discussed the impact of the proposal on DLOD and penalty fees, noting that the fees would decrease, rather than increase as indicated in the *Federal Register* notice. TCH participants indicated that, in light of this information, the concerns regarding DLOD and penalty fee changes expressed in TCH's comment letter have been fully addressed. TCH participants also discussed other aspects of the proposals unrelated to the proposed DLOD and penalty fee changes, including competitive equity concerns and the proposed changes to overnight overdraft fees.